

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 92-227-C - ORDER NO. 92-1059 ✓  
DECEMBER 18, 1992

IN RE:	Application of BellSouth Telecommuni-	)	ORDER
	cations, Inc. for Approval of Revised	)	RULING ON
	Depreciation Rates and Amortization	)	MOTION TO
	Schedules	)	COMPEL

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of Motion to Compel filed on behalf of Steven W. Hamm, Consumer Advocate for the State of South Carolina (the Consumer Advocate), requesting the Commission to issue an Order to compel Southern Bell Telephone & Telegraph Company (Southern Bell or the Company) to fully respond to the Consumer Advocate's First Set of Interrogatories in the instant Docket. The Consumer Advocate's Motion to Compel raised several arguments concerning Southern Bell's objection to certain Interrogatories propounded by the Consumer Advocate to Southern Bell. Southern Bell additionally filed opposition to the Consumer Advocate's Motion to Compel.

The Commission has reviewed the Interrogatories filed on behalf of the Consumer Advocate, the Consumer Advocate's Motion to Compel, and Southern Bell's Opposition to the Consumer Advocate's

Motion to Compel. After a review of these documents and other pertinent data, the Commission makes the following findings of fact and conclusions of law:

1. That as to Consumer Advocate Interrogatory No. 1-1 which requested Southern Bell to provide an unexpurgated copy of the Company's most recent five-year business plan. The Commission has determined that this Interrogatory should be answered subject to the Consumer Advocate's signing a proprietary agreement that would protect the confidential nature of the document as alleged by Southern Bell. Additionally, Southern Bell alleges that the document is not relevant to this Docket. However, it appears to the Commission that Southern Bell's five-year business plan could be pertinent to Southern Bell's depreciation study to the extent that the depreciation study should be consistent with the Company's business plan and vice versa. Therefore, the Company will be required to answer this interrogatory, but will be protected as to the proprietary nature of any information contained in the business plan.

2. Next, Southern Bell objects to responding to Consumer Advocate Interrogatory No. 1-10 which asks Southern Bell to provide all internal documents during the last three years dealing with the sharing, accrual and management of earnings. Southern Bell objects to this information as not being relevant to the proceeding which concerns depreciation rates and lives and salvage parameters of Southern Bell. Southern Bell alleges that its application for depreciation rates is not related to its revenues obtained for

providing services in South Carolina. While the Commission is allowed to consider depreciation rates aside from a telephone utility's general rate increase and an evaluation of a company's earnings, the request of the Consumer Advocate is certainly relevant discovery matter and may lead to the discovery of admissible evidence at the hearing. Therefore, Southern Bell will be required to answer Interrogatory No. 1-10 of the Consumer Advocate.

3. Southern Bell objected to answering Interrogatory No. 1-15 of the Consumer Advocate's Interrogatories on the basis that the documents requested are copyrighted. Southern Bell objected to violating copyright laws at the request of the Consumer Advocate. The Commission finds that the Consumer Advocate did not request Southern Bell to violate any copyright laws, rather the Consumer Advocate asked for the publications. Southern Bell may purchase the documents and provide them to the Consumer Advocate without violating the copyright laws. Therefore, Southern Bell will be required to provide the publications referenced in footnotes 1, 2, and 3 of the Introduction to the Depreciation Study.

4. Southern Bell's last objection related to answering Consumer Advocate Interrogatory Nos. 35(b), 46, 47, and 48. The Interrogatories request Southern Bell to justify that its requested depreciation rates are economically justified without the anticipation of future revenues from enhanced services. According to the Consumer Advocate, the thrust of the inquiry is to ensure that ratepayers are not cross-subsidizing future competitive

services with their current telephone rates. Southern Bell alleges that the Consumer Advocate's Interrogatory requires Southern Bell to prove a negative. Southern Bell also alleges that the interrogatories are not appropriate interrogatory questions, but are more akin to requests for admission. The Commission agrees with Southern Bell in this instance. While the Consumer Advocate may request Southern Bell to provide relevant information, the Consumer Advocate may use that information to prove its case or to disprove Southern Bell's position. However, Southern Bell should not be required to prove the "negative" for the Consumer Advocate in an interrogatory request. Southern Bell will not be required to answer Interrogatory Nos. 35(b), 46, 47, and 48 as propounded.

5. As to Consumer Advocate Interrogatory 1-61, Southern Bell has provided that information and alleges that it inadvertently omitted the material from the responses sent to the Consumer Advocate. Southern Bell made available the information requested in Interrogatory No. 1-61

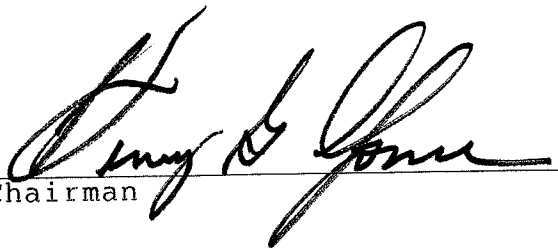
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Having made the above findings of fact and conclusions of law,  
the Commission hereby requires Southern Bell to answer the required  
Interrogatories within ten (10) days of the date of this Order.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director

(SEAL)